

(323) 881-2401

April 30, 2002

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE AMENDMENT NO. 1 TO SUBLEASE BY AND BETWEEN
THE CITY OF WEST HOLLYWOOD AND THE
CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY
(THIRD DISTRICT) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD, ACTING IN ITS CAPACITY AS THE BOARD OF DIRECTORS OF THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY:

1. Approve and execute the Amendment No. 1 to Sublease (“Amendment”) by and between the City of West Hollywood (“City”), as Sublessor, and the Consolidated Fire Protection District of Los Angeles County (“District”), as Sublessee, to amend the affordable housing construction timeline in Section 9.9 to indicate that the City will commence construction within 24 months after recordation of the conveyance of old Fire Station 7 (“Old Station”) to the City by the District, rather than 24 months from the date the sublease was executed.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

- On June 19, 2001, your Honorable Board approved the Sublease between the District and the City for Fire Station 7, which provides for the conveyance of old Fire Station 7 to the City for construction of affordable housing.

- The City was to commence construction of not less than three units of affordable housing, for occupants having income of 60 percent or less than the Area Median Income as defined in the Sublease, within 24 months of the execution of the Sublease.
- However, prior to conveyance of the Old Station, several requirements needed to be met by both parties, including the execution of a separate liability agreement, transfer of funds, review and acceptance of environmental documents. All of these requirements have recently been completed.
- The City has requested and the District concurs, that to be fair and reasonable, the construction timeline should be amended to provide that construction will commence within 24 months of recordation of the conveyance of the Old Station to the City, rather than 24 months from execution of the sublease.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this Amendment to the Sublease will allow the City to proceed with their plans for affordable housing on the site of the Old Station, which is consistent with the Service Excellence Goal of the County of Los Angeles.

FISCAL IMPACT/FINANCING

There is no fiscal impact associated with the execution of this Amendment to the Sublease. No financing is required.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This Amendment to the Sublease provides that upon the transfer of the Old Station to the City, the City's construction timeline requirement will commence for the provision of affordable housing on the site for a duration of 30 years. The City has agreed to provide not less than three units of affordable housing for occupants having income of 60 percent or less than the Area Median Income as defined in the Sublease.

County Counsel has approved the Amendment No. 1 to Sublease as to form.

The Honorable Board of Supervisors

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Without the approval of the Amendment to the Sublease, it would be unlikely that the City would be able to meet the affordable housing timeframes originally agreed upon.

ENVIRONMENTAL DOCUMENTATION

This Amendment to the Sublease is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 21080.14 of the CEQA Guidelines relating to affordable housing.

CONCLUSION

Please instruct the Executive Officer, Clerk of the Board to return one fully executed original Amendment No. 1 to Sublease, three (3) copies of the executed Amendment and three (3) adopted copies of this Board letter to the District. The District will provide the City with a fully executed original copy of the Amendment. Also instruct the Executive Officer, Clerk of the Board to return two fully executed copies of the Amendment and two stamped adopted copies of this Board letter to the Chief Administrative Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012.

Respectfully submitted,

P. MICHAEL FREEMAN

PMF:BH:LBB:fd

Enclosure

c: Chief Administrative Officer
County Counsel

AMENDMENT NO. 1 TO SUBLEASE

This Amendment No. 1 to the Sublease dated as of February 1, 1998 (this "Sublease"), by and between the CITY OF WEST HOLLYWOOD, a general law city and municipal corporation of the State of California, as sublessor (the "City") and, the CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY, a fire protection district and public instrumentality of the State of California, as sublessee (the "District"), is made and entered into this _____ day of _____, 2002, by and between City and District as follows:

• *WITNESSETH:*

WHEREAS, pursuant to the Sublease after certain covenants contained in the Sublease are met, District has agreed to convey the land and building previously used as Fire Station No. 7, located at 958 North Hancock Avenue (the "Old Station") to the City.

WHEREAS, City has agreed that after 24 months after execution of the Sublease that construction of affordable housing will commence on the site of the Old Station.

WHEREAS, due to the length of time required for both City and District to complete all requirements associated with the conveyance of the Old Station to the City, the timeline for commencement of construction in the Sublease is impracticable.

WHEREAS, both parties agree that amendment of the timeline for commencement of construction would be fair and reasonable.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained, the parties hereto agree that the third paragraph of Section 9.9 of the Sublease shall be amended to read as follows:

1. Section 9.9 Conveyance of Prior Station, third paragraph.

The City covenants that it will diligently proceed to design, plan and construct not less than three (3) units of affordable housing (provided that if the parties mutually agree, based on feasibility studies, that construction of three units is not feasible, the parties may agree to construct, and the City shall construct, a lesser number of units) and that construction will commence not later than twenty-four (24) months after recordation of the conveyance of the Old Station to City by District. If such construction has not commenced on or before such date, or if the construction of three units of affordable housing is not feasible and the parties

do not agree to construct fewer than three units, the Old Station, including renovations or replacement construction, shall be sold and the net proceeds after payment of the costs of such sale shall be divided as follows: (x) the City shall receive an amount equal to the costs of hazardous materials remediation reimbursed to the District pursuant to the first paragraph of this Section 9.9, and (y) the remainder of such proceeds shall be divided equally by the City and the District.

- 2. All other terms and conditions of the Sublease shall remain the same and in full force and effect.
- 3. This Amendment shall be effective as of the date of signature by the last signing party.

IN WITNESS WHEREOF, the City and the District have caused this amendment to the Sublease to be executed in their names by their duly authorized officers, as of the date first above written.

CITY OF WEST HOLLYWOOD

**CONSOLIDATED FIRE PROTECTION
DISTRICT OF LOS ANGELES COUNTY**

By _____
Mayor

By _____
Chairman, Board of Supervisors and *ex officio* Chairman of the Board of Directors of the District

Date: _____

Date: _____

ATTEST:

ATTEST:

VIOLET VARONA-LUKENS,
Executive Officer-Clerk of the Los Angeles
County Board of Supervisors and *ex officio*
Secretary of the District

By: _____
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:

APPROVED AS TO FORM:

MICHAEL JENKINS,
City Attorney

LLOYD W. PELLMAN,
County Counsel

By: _____

By: _____
Principal Deputy